



Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 06-7, Georgia State Income Tax Withholding

Date: April 6, 2006

To: Holders of TAXES (State of Georgia only)
Personnel User Groups
T&A Contact Points in Georgia

Beginning with wages paid for Pay Period 7, the National Finance Center (NFC) will make the following changes to the state of Georgia income tax withholdings:

- The dependent exemption allowance will increase from \$2,700 to \$3,000.
- The nontaxable biweekly Federal Employees Health Benefits payment and the taxable biweekly fringe benefits statements will be added to the state tax formula.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to NFC's Home Page (www.nfc.usda.gov) and click **Pubs & Forms**. Then on the Pubs & Forms page left-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "►◄".

For questions about NFC processing, contact the Payroll/Personnel Call Center at **504-255-4630**.

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Georgia State Income Tax Information

State Abbreviation:	GA
State Tax Withholding State Code:	13
Acceptable Exemption Form:	G-4 or W-4
Basis For Withholding:	State Exemptions
Acceptable Exemption Data:	S, M, N, H / Number of Exemptions
TSP Deferred:	Yes
Special Coding:	Determine the Total Number Of Allowances Claimed field as follows: First Position - S = Single; H = Head of Household; M = Married, Filing Joint Return-One Spouse Working; N = Married, Filing Separate Returns or Joint Return-Both Spouses Working. Second and Third Positions - Enter the total number of allowances claimed. If less than 10, precede with a zero.
Additional Information:	None

Withholding Formula ►(Effective Pay Period 7, 2006)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. ►Subtract the nontaxable biweekly Federal Health Benefits Plan payment from the amount computed in step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.◄
4. Multiply the adjusted gross biweekly wages times 26 to obtain the gross annual wages.
5. Determine the standard deduction by applying the following guideline and subtract this amount from the gross annual wages.

Single-S or Head of Household-H	Married-N (Filing Separately or Joint Return - Both Spouses Working)	Married-M (Filing Joint Return - One Spouse Working)
\$ 2,300	\$ 1,500	\$ 3,000

6. Determine the personal exemption allowance by applying the following guideline and subtract this amount from the result of step 5.

$$\text{Personal Exemption Allowance} = \$2,700 \times \text{Number of Personal Exemptions Claimed}$$

7. Determine the dependent exemption allowance by applying the following guideline and subtract this amount from the result of step 6.

$$\text{Dependent Exemption Allowance} = \text{►\$3,000◄} \times \text{Number of Dependents}$$

8. Apply taxable income computed in step 7 to the following table to determine the annual Georgia tax withholding.

**Tax Withholding Table
Single**

If the Amount of Taxable Income Is:		The Amount of Georgia Tax Withholding Should Be:			
Over:	But Not Over:				Of Excess Over:
\$ 0	\$ 750	\$ 0.00	plus	1%	\$ 0
750	2,250	7.50	plus	2%	750
2,250	3,750	37.50	plus	3%	2,250
3,750	5,250	82.50	plus	4%	3,750
5,250	7,000	142.50	plus	5%	5,250
7,000	and over	230.00	plus	6%	7,000

**Married
(Filing Separately or Filing a Joint Return - Both Spouses Working)**

If the Amount of Taxable Income Is:		The Amount of Georgia Tax Withholding Should Be:			
Over:	But Not Over:				Of Excess Over:
\$ 0	\$ 500	\$ 0.00	plus	1%	\$ 0
500	1,500	5.00	plus	2%	500
1,500	2,500	25.00	plus	3%	1,500
2,500	3,500	55.00	plus	4%	2,500
3,500	5,000	95.00	plus	5%	3,500
5,000	and over	170.00	plus	6%	5,000

**Married
(Filing a Joint Return - One Spouse Working)
or
Head of Household**

If the Amount of Taxable Income Is:		The Amount of Georgia Tax Withholding Should Be:			
Over:	But Not Over:				Of Excess Over:
\$ 0	\$ 1,000	\$ 0.00	plus	1%	\$ 0
1,000	3,000	10.00	plus	2%	1,000
3,000	5,000	50.00	plus	3%	3,000
5,000	7,000	110.00	plus	4%	5,000
7,000	10,000	190.00	plus	5%	7,000
10,000	and over	340.00	plus	6%	10,000

9. Divide the annual Georgia tax withholding by 26 to obtain the biweekly Georgia tax withholding.